

**DELIVERED ELECTRONICALLY**

July 2, 2021

Ms. Karen Barber, Esq.  
280 State Drive, NOB 2 North  
Waterbury, VT 05671**RE: Docket No. GMCB-002-21con, Construction of Secure Residential Treatment Program for Individuals Requiring Residential Treatment Program Services for Mental Health Conditions. Project cost: \$21,900,521.**

Dear Ms. Barber:

Thank you for your response to questions for the above referenced project. As we require additional information to complete our review, please respond to the following questions.

1. Explain in more detail the use and reporting of funds and expenses of the GO Bond.
2. Based on your June 17, 2021 response to questions, Table 2 the Sources of Funds-Equity Contribution is equal to the Financing Expenses which includes an interest rate of 3.75% for a 20-year loan reported in the Uses of Funds. Explain why these are the same. If in error, revise and resubmit Table 2.
3. Please explain the lending arrangement in more detail because the loan and or bond has an interest rate of 3.75% but also has estimated premiums in the amount of \$2,248,592. Also, explain whether the bond is tax-free and if so, explain how the premium has been appropriately amortized.
4. Based on your June 17, 2021 response to questions, explain why the Operating Expenses do not include depreciation/amortization and the Debt Financing expenses of approximately \$5,427,136 for the new facility on Table 3B. Revise and resubmit Table 3B as these expenditures for the new facility must be included in the Income Statement.
5. The application assumes 100% occupancy, with all 16 beds being utilized 365 days a year. However, as reflected on page 7 of DMH's June 17, 2021 response to questions, the existing secure residential facility in Middlesex has operated at a capacity of just over



90%. Explain in further detail the basis for projecting 100% utilization for a 16-bed facility, when the existing facility has not operated at 100% capacity. Please explain the contingency plan if 100% occupancy is not realized and address the negative impacts vacancies may have on the facility's financial stability.

6. Explain how it was determined that it was not "economically feasible to use electric based systems for the snow melt and domestic hot water systems," including a summary of any economic analysis conducted to determine the feasibility of using electric based systems for the snow melt and domestic hot water systems.
7. Explain whether there was any investigation into the feasibility of choosing an electric induction stove and the results of that inquiry.
8. In selecting a gas-fired range, explain whether there was any analysis performed to determine the impact of that choice on energy use, additional ventilation requirements, and indoor air quality standards.
9. Please confirm whether the gas range hood vents are vented to the outside of the building and whether the hood vents are controlled by the user or whether the ventilation is turned on automatically whenever the gas range is in use.

In responding, restate the question in bold font and respond in unbolded font. Send an electronic copy to me at [donna.jerry@vermont.gov](mailto:donna.jerry@vermont.gov) and one hard copy (three-hole punched) with a Verification Under Oath to my attention at the Green Mountain Care Board, 144 State Street, Montpelier, Vermont 05602.

If you have any questions, please do not hesitate to contact me at 802-760-8162.

Sincerely,

s/ Donna Jerry  
Senior Health Policy Analyst  
Green Mountain Care Board

cc. Laura Beliveau  
Staff Attorney

